GOVERNMENT OF INDIA
TOURISM
LOK SABHA

UNSTARRED QUESTION NO:2252
ANSWERED ON:09.03.2000
FINANCIAL PRESSURE ON HOTELS AND RESTAURANTS
AVSM, BRIG.(RETD.) KAMAKHYA PRASAD SINGH DEO

Will the Minister of TOURISM be pleased to state:

(a) whether the Government are aware that the ambitious tourism policy is completely silent about continued viability of existing hotels and restaurants; and

(b) if so, the steps Government propose to take to reduce the financial pressures of these units?

Answer

THE MINISTER OF TOURISM AND CULTURE (SHRI ANANTHKUMAR)

(a) & (b) : Ministry of Tourism has not announced any new tourism policy yet. However, as per the existing policy, Union Government has accorded Export House Status to tourism units including hotels which are entitled to various incentives / benefits.Union Government also provides various incentives and concessional customs duty on imports for approved hotels, restaurants and hotel projects including income tax exemptions , interest subsidy for 1-3 star and heritage hotels, duty free import of special items etc. The State Governments also provide support for tourism as per policies in their areas.

The continued viability of the hotels and restaurants is proven by the facts that new hotels and restaurants continue to be set up.